

LEGISLATURE OF NEBRASKA  
NINETY-SIXTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1214**

Introduced by Speaker Kristensen, 37; at the request of the  
Governor

Read first time January 12, 2000

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section  
2 84-612, Reissue Revised Statutes of Nebraska, and section  
3 77-5304, Revised Statutes Supplement, 1999; to provide  
4 for transfers of funds; to provide for allocation of  
5 certain funds to community college areas; to eliminate a  
6 fund; to harmonize provisions; to repeal the original  
7 sections; to outright repeal section 79-1072.04, Revised  
8 Statutes Supplement, 1999; and to declare an emergency.  
9 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-5304, Revised Statutes Supplement,  
2 1999, is amended to read:

3           77-5304. (1) For tax year 2000, the amount of relief  
4 granted under the Relief to Property Taxpayers Act shall be  
5 thirty-five million dollars. For tax years after 2001, the amount  
6 of relief granted under the act shall be equal to the amount  
7 appropriated or transferred to the Relief to Property Taxpayers  
8 Cash Fund by August 16. It is the intent of the Legislature to  
9 fund the Relief to Property Taxpayers Act for tax years 2001, 2002,  
10 and 2003 using available excess revenue. The relief shall be in  
11 the form of a property tax credit which appears on the property tax  
12 statement.

13           (2) To determine the amount of the property tax credit,  
14 the county treasurer shall multiply the amount disbursed to the  
15 county under subsection (4) of this section by the ratio of the  
16 real property valuation of the parcel to the total real property  
17 valuation in the county. The amount determined shall be the  
18 property tax credit for the property.

19           (3) If the real property owner qualifies for a homestead  
20 exemption under sections 77-3501 to 77-3529, the homestead owner  
21 shall also be qualified for the relief provided in the act to the  
22 extent of any remaining liability after calculation of the relief  
23 provided by the homestead exemption. If the credit results in a  
24 property tax liability on the homestead that is less than zero, the  
25 amount of the credit which cannot be used by the taxpayer shall be  
26 returned to the State Treasurer by July 1 of the year the amount  
27 disbursed to the county was disbursed. The State Treasurer shall  
28 immediately credit any funds returned under this section to the ~~Tax~~

1 ~~Equity and Educational Opportunities Support Act Stabilization Fund~~  
2 ~~until July 15, 2001, and to the~~ Relief to Property Taxpayers Cash  
3 Fund on and after ~~such date~~ the effective date of this act.

4 (4) The amount disbursed to each county shall be equal to  
5 the amount available for disbursement determined under subsection  
6 (1) of this section multiplied by the ratio of the real property  
7 valuation in the county to the real property valuation in the  
8 state. By September 15, the Property Tax Administrator shall  
9 determine the amount to be disbursed under this subsection to each  
10 county and certify such amounts to the State Treasurer and to each  
11 county. The disbursements to the counties shall occur in two equal  
12 payments, the first on or before January 31 and the second on or  
13 before April 1. After retaining one percent of the receipts for  
14 costs, the county treasurer shall allocate the remaining receipts  
15 to each taxing unit levying taxes on taxable property in the tax  
16 district in which the real property is located in the same  
17 proportion that the levy of such taxing unit bears to the total  
18 levy on taxable property of all the taxing units in the tax  
19 district in which the real property is located.

20 Sec. 2. Section 84-612, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22 84-612. (1) There is hereby created within the state  
23 treasury a fund known as the Cash Reserve Fund which shall be under  
24 the direction of the State Treasurer. The fund shall only be used  
25 pursuant to this section.

26 (2) The State Treasurer shall transfer funds from the  
27 Cash Reserve Fund to the General Fund upon certification by the  
28 Director of Administrative Services that the current cash balance

1 in the General Fund is inadequate to meet current obligations.  
2 Such certification shall include the dollar amount to be  
3 transferred.

4 (3) Any transfers made pursuant to subsections (2) and  
5 (5) of this section shall be reversed upon notification by the  
6 Director of Administrative Services that sufficient funds are  
7 available.

8 (4) On or before August 1, 1994, the State Treasurer  
9 shall transfer six million dollars from the Cash Reserve Fund to  
10 the Job Training Cash Fund.

11 (5) The State Treasurer shall transfer funds from the  
12 Cash Reserve Fund to the Roads Operations Cash Fund upon  
13 certification by the Director of Administrative Services that the  
14 current cash balance in the Roads Operations Cash Fund is  
15 inadequate to meet current obligations as the result of delayed  
16 receipt of federal funds. The certification shall include the  
17 dollar amount to be transferred. The authority to transfer funds  
18 pursuant to this subsection shall be in effect for the period July  
19 1, 1998, through June 30, 1999.

20 (6) On or before September 1, 1998, the State Treasurer  
21 shall transfer four million five hundred thousand dollars from the  
22 Cash Reserve Fund to the General Fund.

23 (7) On or before September 1, 1998, the State Treasurer  
24 shall transfer two million dollars from the Cash Reserve Fund to  
25 the Reorganized School Assistance Fund.

26 (8) On June 15, 1999, the State Treasurer shall transfer  
27 twelve million dollars from the Cash Reserve Fund to the General  
28 Fund.

1           (9) On or before June 30, 1999, the State Treasurer shall  
2 transfer eighty million dollars from the Cash Reserve Fund to the  
3 General Fund.

4           (10) On June 15, 2001, the State Treasurer shall transfer  
5 twenty-eight million dollars from the Cash Reserve Fund to the  
6 General Fund.

7           (11) On August 16, 1999, the State Treasurer shall  
8 transfer thirty million dollars from the Cash Reserve Fund to the  
9 Relief to Property Taxpayers Cash Fund for the purposes of  
10 increased aid to community colleges.

11           (12) On August 16, 2000, the State Treasurer shall  
12 transfer thirty-five million dollars from the Cash Reserve Fund to  
13 the Relief to Property Taxpayers Cash Fund.

14           ~~(13) On August 17, 2001, the State Treasurer shall~~  
15 ~~transfer thirty-five million dollars from the Cash Reserve Fund to~~  
16 ~~the General Fund for purposes of funding the Tax Equity and~~  
17 ~~Educational Opportunities Support Act. On August 16, 2000, the~~  
18 ~~State Treasurer shall transfer thirty million dollars from the Cash~~  
19 ~~Reserve Fund to the Relief to Property Taxpayers Cash Fund for the~~  
20 ~~purposes of increased aid to community colleges.~~

21           Sec. 3. Original section 84-612, Reissue Revised  
22 Statutes of Nebraska, and section 77-5304, Revised Statutes  
23 Supplement, 1999, are repealed.

24           Sec. 4. The following section is outright repealed:  
25 Section 79-1072.04, Revised Statutes Supplement, 1999.

26           Sec. 5. Since an emergency exists, this act takes effect  
27 when passed and approved according to law.